

C.8

TO: City Council

FROM: Rosemarie Ives, Mayor

DATE: July 19, 2005

SUBJECT: **APPROVAL OF NORTHWEST PIPELINE CORPORATION'S OFFER TO AMEND EASEMENT CONTRACT, ALLOW TEMPORARY USE OF CITY PROPERTY LOCATED AT 4200 - 228TH AVE NE (FIRE STATION NO. 15)**

I. RECOMMENDED ACTION

Move to approve the offer from Williams' Northwest Pipeline Corporation to amend an existing right-of-way and easement contract with the City of Redmond for property located 4200 - 228th Avenue NE, King County (Tax Parcel No. 152506-9017), allow for temporary use of an area adjacent to the existing easement area and removal of trees in the clearing limits of the proposed Williams' capacity replacement pipeline project in consideration of \$11,835 and other conditions as established in the amended contract and temporary use agreement; and authorize the Mayor to sign the *Amendment to Right-of-Way and Easement Contract*, *Construction Work Space Agreement* and *Timber Sale Agreement*.

II. DEPARTMENT CONTACT PERSONS

Dave Rhodes, Director of Public Works	556-2705
Loren Charlston, Assistant Fire Chief	556-2205
Bill Campbell, City Engineer/Assistant Director of Public Works	556-2733
Debby Wilson, Real Property Manager	556-2715

III. DESCRIPTION

Williams' Northwest Pipeline Corporation is under a federal court mandate to replace sections of one of its two high pressure natural gas pipelines that runs through most of the state of Washington, including across Fire Station No. 15 property, east of Redmond's city limits in unincorporated King County. Pipeline work will include removing an existing 26-inch pipe and placing a 36-inch pipe in its place. Additional work will be undertaken at existing compressor stations. None of the compressor stations exist on Fire Station No. 15 property.

Two Williams' pipelines currently run parallel across Fire Station No. 15 property. The first pipeline, 30-inches in diameter, was installed in 1956, within a 50-foot easement established that same year. In 1971, ten feet of additional easement area width was acquired and a second parallel pipeline, 26-inches in diameter, was installed. The City of Redmond was the owner of the property at the time both of these pipeline installations occurred. Williams plans to commence with the construction aspects of its upcoming capacity replacement project in spring of 2006, and place the facilities in-service in fall of 2006.

Williams has presented an offer to the City that requests an amendment to the previous easement contract language so to specifically allow for a 36-inch pipe to be installed in the easement area. No additional permanent easement area is needed. The existing easement is .59 acres in size. Williams has offered a monetary consideration amount of \$8,609.64 to amend the contract. When totaled with historic consideration payments, the City, as the property owner, will have been compensated an amount equal to 50 percent of the fee value of the property. This percentage of fee value is reasonable since the City still can accommodate other uses in the pipeline corridor. These other uses include a detention pond and a small area leased to an adjacent neighbor to accommodate a historical fence encroachment.

Due to the depth and width of the trench that will need to be dug to install the larger diameter pipe and accommodate the equipment needed to do the work, Williams requires the temporary use of additional property adjacent to the existing easement. Historical documents related to the two existing pipeline installations reflect that additional property was used for those installations also. Williams has offered \$1,225.78, an amount equal to 10 percent of the value of the land, for the temporary use of the property. The amount of 10 percent is considered an industry standard for use of property for the length of duration of this project. As additional considerations, City staff have worked with Williams and agreed to additional conditions to assure that the temporary work space will be returned to an equal or better condition than as found, and that measures will be taken during construction to address safety in the area. Total temporary construction work space area needed is .21 acres.

For Williams to safely undertake the work, tree removal will be necessary within the temporary work space area. Williams used a qualified third party to evaluate the value of the trees to be removed. Williams presented a monetary offer of \$2,000 for the trees, with substantiated back up material. The City secured a review of Williams' timber valuation for another City property area, the review resulted further support of Williams' offer.

This property is owned by the City of Redmond, but is outside of the City limits. King County is the authority having jurisdiction in this area. Williams is solely responsible for securing other project permits or approvals as needed from the county, as well as state and federal agencies.

Williams has followed all established federal guidelines and policies for notifying the City, as the property owner, about the property rights necessary to accommodate the project, presentation of the offer and the opportunity for the City to present substantiated evidence to appeal the offer and/or conditions.

IV. IMPACT

- A. Service/Delivery: The Williams project should not interfere with Fire Station No. 15 activities.
- B. Fiscal: Williams' property rights offer was supported by professional appraisal evaluations. The City's real property manager reviewed the land appraisal information and determined the offer amount was below what Williams' valuation information supported. Williams revised their offer accordingly.

Staff recommends that the proceeds from the use and sale of timber of the subject property would be deposited into the City's Fire Control Services – Fire District #34 Fund.

V. ALTERNATIVES

Council could choose not to accept Williams' offer. Williams has presented they are prepared to acquire the necessary permanent and temporary rights via condemnation or other federal/state means afforded to them to acquire property rights from public agencies.

VI. TIME CONSTRAINTS

Williams will initiate other acquisition means if the City delays in its agreeing to the presented offers and use of the subject property.

VII. LIST OF ATTACHMENTS

- A. Vicinity Map
- B. Amendment to Right-of-Way and Easement
- C. Construction Work Space Agreement
- D. Timber Sale Agreement

William J. Campbell for

Dave Rhodes, Director of Public Works

7/8/05

Date

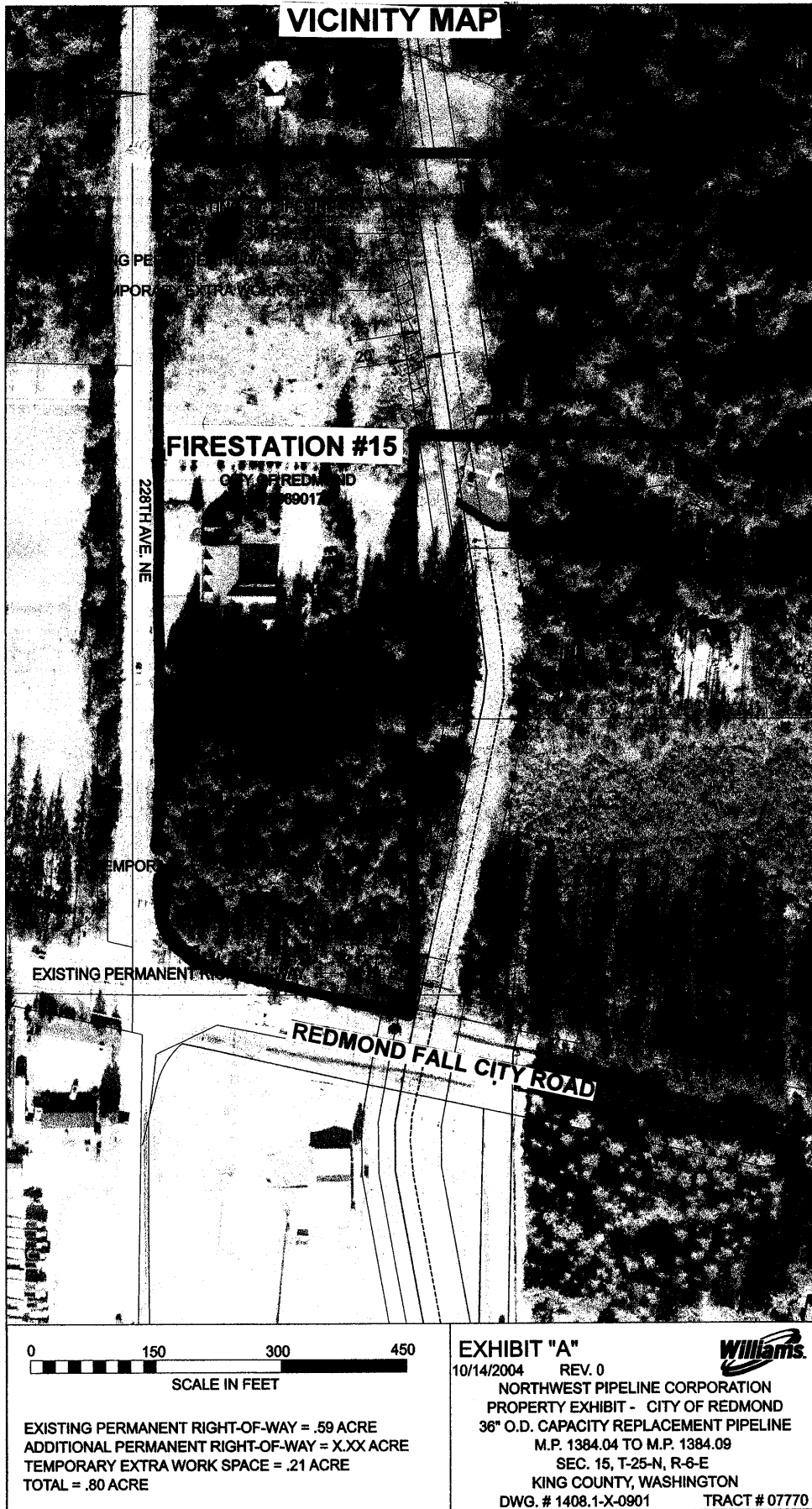
Approved for Council Agenda

s/s

Rosemarie Ives, Mayor

7/8/05

Date



RETURN ADDRESS

NORTHWEST PIPELINE CORPORATION
A.K.A. WILLIAMS NORTHWEST PIPELINE
11120 EVERGREEN WAY, SUITE H
EVERETT, WA 98204

DOCUMENT TITLE(S)

AMENDMENT TO RIGHT OF WAY AND EASEMENT CONTRACT

Reference Number(s) of related documents

AUDITOR'S FILE NUMBERS

GRANTOR(S)

CITY OF REDMOND, THE

GRANTEE(S)

NORTHWEST PIPELINE CORPORATION, A DELAWARE CORPORATION

Legal Description

PORTION OF SW QUARTER OF SEC 15, T 25N, R 06E, W.M.

Assessor's Property Tax Parcel/Account Number

1525069017 PTN

AMENDMENT TO RIGHT-OF-WAY and EASEMENT CONTRACT

This Right-of-Way Contract Amendment ("Amendment") by and between NORTHWEST PIPELINE CORPORATION, a Delaware corporation, located at P.O. Box 58900, Salt Lake City, Utah 84158-0900 ("Grantee"), successor-in-interest to El Paso Natural Gas Company, and City of Redmond, The, whose address is PO Box 97010 Redmond, WA 98073 ("Grantor").

RECITALS:

WHEREAS by that certain Right-of-Way Contract dated (the "Contract"), recorded in the records of King County, , Instrument No. , as Grantors predecessors-in-interest, granted and conveyed unto Grantee's predecessor-in-interest a right-of-way on, over and through certain real property situated in King County, State of Washington, as described and identified in the Contract.

WHEREAS by that certain Amendment dated (the "Amended"), recorded in the records of King County, , Instrument No. , as Grantors predecessors-in-interest, granted and conveyed unto Grantee's predecessor-in-interest a right-of-way on, over and through certain real property situated in King County, State of Washington, as described and identified in the Contract.

WHEREAS the undersigned Grantor warrants that it is now the owner in fee simple of the described property or a portion of the property as of the amendment date. The Grantors now own that property known as Assessor Parcel Number 1525069017

The West 1/2 of the SW 1/4 of the SW 1/4 of the S 1/2 of the NW 1/4 of the SW 1/4 of the SW 1/4 of Section 15, Township 25 North, Range 6 East, WM, King County, Washington; including the contents thereof; less County Road and less the 30.00 feet thereof.

AGREEMENT:

NOW THEREFORE, for and in consideration of the mutual promises contained in this Amendment, Grantor grants to Grantee an amendment as described below:

The parties desire and agree to amend the Contract to specify the location and width of the easement as follows:

1. The Right of way shall be 60 feet in width being 40 feet easterly and 20 westerly of the 36- inch pipeline.
2. Allowing for the installation of a 36-inch pipeline and appurtenance within the existing

easement.

This Amendment shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties to this Amendment.

Except as amended, all terms, conditions and provisions of the existing Right-of-Way Contract and Amendments thereto shall remain and continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment as of this _____ day of _____, 2005.

GRANTOR:

City of Redmond, The

GRANTOR:

GRANTEE:
NORTHWEST PIPELINE CORPORATION,
a Delaware corporation

Rex Johnson, Attorney-in-Fact

ACKNOWLEDGMENT

STATE OF Washington)
)ss.
COUNTY OF _____)

BEFORE ME, the undersigned authority, on this _____ day of _____, 2005 personally appeared City of Redmond, The, to me known to be the individual described in and who executed the foregoing instrument, and acknowledged to me that he signed the said instrument at his free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Notary Public in and for the
State of Washington

My Commission Expires: _____

ACKNOWLEDGMENT ATTORNEY-IN-FACT

STATE OF Washington)
)ss.
COUNTY OF _____)

On the ____ day of _____, 2005, Rex Johnson personally appeared before me and being by me duly sworn, did say that he/she is the Attorney-in-Fact of Northwest Pipeline Corporation, and that the Agreement was signed on behalf of Northwest Pipeline Corporation and said acknowledged to me that as such Attorney-in-Fact executed the same.

Notary Public in and for the
State of Washington

My Commission Expires: _____

**ADDENDUM #1
TO
AMENDMENT TO RIGHT-OF-WAY and EASEMENT CONTRACT**

1. The following legal description shall replace the legal description as found under RECITALS:

The West 1/2 of the Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4 and South 1/2 of the Northwest 1/4 of the Southwest 1/4 of the Southwest 1/4 of Section 15, Township 25 North, Range 6 East W.M., King County, Washington, less county road and less the west 30 feet thereof.

2. The following will be substituted in the AMENDMENT TO RIGHT-OF-WAY and EASEMENT CONTRACT as item #1 under AGREEMENT section:

The Right of Way shall be 60 feet in width being 40 feet easterly and 20 feet westerly of the centerline of existing 26-inch pipeline (proposed 36-inch pipeline); centerline also being the survey line as described in above referenced Additional Pipeline Easement and Amendment of Right of Way Contract recorded in records of King County as AFN _____.

3. The Grantee agrees to hold harmless, indemnify and defend the Grantor from and against any and all claims, losses or liability, for injuries, sickness or death of persons, including employees of the Grantee, or damage to property, arising out of the exercise of Grantee's rights under this Easement or any willful misconduct or negligent act, error, or omission of the Grantee, its officers, agents, contractors, subcontractors, licensees, or employees, in connection with the Grantee's activities authorized by this easement, provided, however, that:
- (a) The Grantee's obligations to indemnify, defend and hold harmless shall not extend to injuries, sickness, death or damage caused by or resulting from the sole willful misconduct or sole negligence of the Grantor; and
 - (b) The Grantee's obligations to indemnify, defend and hold harmless for injuries, sickness, death or damage caused by or resulting from the concurrent negligence or willful misconduct of the Grantee and the Grantor, or of the Grantee and a third party other than an officer, agent, contractor or employee of the Grantee, shall apply only to the extent of the negligence or willful misconduct of the Grantee (including an officer, agent, contractor or employee of the Grantee).

NORTHWEST PIPELINE CORPORATION

CITY OF REDMOND

Dated: _____

Dated: _____